

Fiscal TOPICS

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Community College Revenue

Revenue Accounting and Reporting

Iowa's 15 community colleges have a variety of revenue sources available to them. For accounting and budgeting purposes, the colleges record revenue in eight different funds:

Fund 1 (Unrestricted General Fund), Fund 2 (Restricted General Fund), and Fund 7 (Plant Fund) are reported as part of the annual certified budget. Funds 1 and 2 include resources available for the educational program. Fund 7 includes resources used for acquisition, construction, major repair or replacement of physical property, as well as debt service related to those activities.

Fund 3 (Auxiliary Fund) includes revenue from enterprise activities such as cafeterias, book stores, and child care centers.

Fund 4 (Agency Fund) includes resources handled by the college as fiscal agent for other entities. This includes funds received under Code Chapter 260F (Jobs Training).

Fund 5 (Scholarship Fund) and Fund 6 (Loan Fund) include resources available for scholarship awards and loans to students.

Fund 8 (Endowment Fund) includes resources donated to the college, where the principal must be maintained and only the income from fund investments may be used in accordance with any restrictions specified by the donor.

Sources of Budgeted Revenue

Budgeted revenue (Funds 1, 2, and 7) falls into five general categories described below. The table on the following page compares statewide community college revenue in each category for FY 2002 and FY 2010.

Tuition and Fees

Between FY 2002 and FY 2010, budgeted revenue from tuition and fees grew 92.7%. In FY 2003, it surpassed State Aid to become the largest source of revenue for the community colleges. In FY 2010, tuition and fees represented 33.3% of budgeted revenue. Between FY 2002 and FY 2010, the statewide average annual tuition increased 64.9%, and statewide average annual fees increased 6.0%.

State Aid

The State Aid category of budgeted revenue includes the annual general aid appropriation, salary appropriations, and appropriations for capital projects and other purposes. Since FY 2006, this category and the Other Revenue category have alternated as the second and third largest sources of revenue for the community colleges. Between FY 2002 and FY 2010, budgeted revenue from State Aid increased 15.0%. In FY 2010, State Aid represented 20.8% of budgeted revenue.

Other Revenue

In addition to interest income and gifts, the Other Revenue category includes revenue related to the Iowa Industrial New Jobs Training Program, the Iowa Jobs Training Program, and the Accelerated Career Education Program. Between FY 2002 and FY 2010, other revenue increased by 92.2%. It surpassed State Aid as a source of revenue in FY 2006, FY 2008, and FY 2010. In FY 2010, other revenue represented 23.7% of budgeted revenue.

More Information

Department of Education Community College Reports:

http://educateiowa.gov/index.php?option=com_content&view=article&id=252&catid=183&Itemid=2182

Iowa General Assembly: <http://www.legis.iowa.gov/index.aspx>

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Local Support – Property Tax Levies

In FY 2010, 11.7% of budgeted revenue came from local support, including the 20.25-cent general levy, seven specific purpose levies, and bond issues. Between FY 2002 and FY 2010, revenue from local support grew by 65.8%. The single largest increase of 13.1% occurred in FY 2003, when several colleges maximized levies following a decrease in State General Aid in FY 2002.

Federal Funds

Federal funds represented 9.6% of budgeted revenue in FY 2010. This source of funding grew by 174.8% between FY 2002 and FY 2010.

Sales and Services

The smallest source of revenue for the community colleges is sales and services. This category includes revenue from housing, bookstores, cafeterias, facility rentals, and gate receipts. It represented 1.0% of revenue in FY 2010. This source of funding *decreased* by 3.5% between FY 2002 and FY 2010.

Iowa Community Colleges - Revenue by Source (Funds 1, 2, and 7)

	FY 2002	FY 2010	FY 2010 vs. FY 2002	%
Tuition and Fees	\$ 146,895,700	\$ 282,996,948	\$ 136,101,248	92.65%
State Aid	153,726,295	176,836,455	23,110,160	15.03%
Local Support	60,003,850	99,464,652	39,460,802	65.76%
Federal Funding	29,501,900	81,062,466	51,560,566	174.77%
Sales and Services	7,404,636	7,147,771	-256,865	-3.47%
Other	104,793,757	201,359,138	96,565,381	92.15%
Total	\$ 502,326,138	\$ 848,867,430	\$ 346,541,292	68.99%

Source: Department of Education, Division of Community Colleges and Workforce Preparation, AS-15E Reports

Community College Budgeted Revenue by Source

